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29 September 1954

MEMORANDUM FOR: Special Assistant to the Director
for Planning and Coordination

SUBJECT: Reexamination of CIA Policy
of Reimbursement to the
State Department

1. I believe I have heard you say that it was your hope and preference that the Director not saddle upon you the responsibility of conducting a reexamination of the CIA policy of reimbursement to the State Department which is due to be completed by 15 February 1955. My expectation is that the DDCI will nonetheless ask that you undertake this. Although on the surface this may appear to be a problem for the DDA, the solution involves much more than budget format and individual budget justifications. It involves directly the planning and coordination of intelligence activities in our system.

2. In anticipation that this will happen and, in any event, as of possible use to whomever is assigned the task, there is attached a draft paper on this subject.

3. While this draft paper does not pretend to be conclusive, and while certain of its statements of fact will require verification, it does represent our best thinking to date.

Recommendations:

1. That you discuss with the Director and the Deputy Director the assignment of responsibility for taking the lead in the reexamination of reimbursement policies.

2. That if you are given the assignment you authorize me to lay this draft, with any amendments you may wish to make, before representatives of the interested offices of the Agency (naturally to include DDA) to get their criticisms and ideas.

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3. That upon conclusion of the foregoing step an agreed paper (or, if necessary, with comments or dissents) be submitted to you for discussion with the Deputy Directors prior to your discussing this question with the DDCI and the DCI.

4. That thereupon and on the basis of the paper as it might then stand, a draft be prepared which could serve as a basis for your discussion with the Department of State and the Bureau of the Budget.

JAMES Q. REBER
Office of the Director
Planning and Coordination Staff

No Attachment this copy

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